FORM 10-Q

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended

JUNE 30, 1997

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

COMMISSION FILE NUMBER 1-5667

CABOT CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	04-2271897
(State of Incorporation)	(I.R.S. Employer Identification No.)
75 STATE STREET BOSTON, MASSACHUSETTS (Address of principal executive offices)	02109-1806 (Zip Code)

Registrant's telephone number, including area code: (617) 345-0100

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ___

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

AS OF JUNE 30, 1997, THE COMPANY HAD 68,986,867 SHARES OF COMMON STOCK, PAR VALUE $1 PER SHARE, OUTSTANDING.

CABOT CORPORATION

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PART I. FINANCIAL INFORMATION
ITEM 1.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Three Months Ended June 30, 1997 and 1996

(Dollars in thousands)

UNAUDITED

	1997	1996
Revenues:		
Net sales and other operating revenues	$398,580	$457,318
Interest and dividend income	1,897	2,171
Total revenues	400,477	459,489
Costs and expenses:		
Cost of sales	274,205	318,510
Selling and administrative expenses	53,463	50,842
Research and technical service	20,400	21,301
Interest expense	11,347	10,571
Other charges, net	3,309	5,107
Total costs and expenses	362,724	406,331
Income before income taxes	37,753	53,158
Provision for income taxes	(13,591)	(19,668)
Equity in net income of affiliated companies	5,222	4,091
Minority interest	(634)	(1,831)
Net income	28,750	35,750
Dividends on preferred stock, net of tax benefit of $520 and $635, respectively	(813)	(715)
Income applicable to primary common shares	$ 27,937	$ 35,035
Weighted average common shares outstanding (000):		
Primary	70,111	72,710
Fully diluted (Note A)	76,206	78,808
Income per common share:		
Primary	$ 0.40	$ 0.48
Fully diluted (Note A)	$ 0.37	$ 0.45
Dividends per common share	$ 0.10	$ 0.09

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Nine Months Ended June 30, 1997 and 1996

(Dollars in thousands)

UNAUDITED

	1997	1996
Revenues:		
Net sales and other operating revenues	$1,229,369	$1,391,621
Interest and dividend income	5,189	6,886
Total revenues	1,234,558	1,398,507
Costs and expenses:		
Cost of sales	859,515	968,942
Selling and administrative expenses	160,249	150,120
Research and technical service	63,844	53,955
Interest expense	31,607	31,205
Other charges, net	6,912	13,874
Total costs and expenses	1,122,127	1,218,096
Income before income taxes	112,431	180,411
Provision for income taxes	(40,475)	(66,752)
Equity in net income of affiliated companies	13,100	12,747
Minority Interest	(1,813)	(4,390)
Net income	83,243	122,016
Dividends on preferred stock, net of tax benefit of $1,566 and $1,585, respectively	(2,450)	(2,479)
Income applicable to primary common shares	$ 80,793	$ 119,537
Weighted average common shares outstanding (000):		
Primary	70,913	73,383
Fully diluted (Note A)	77,002	79,481
Income per common share:		
Primary	$ 1.14	$ 1.63
Fully diluted (Note A)	$ 1.06	$ 1.52
Dividends per common share	$ 0.30	$ 0.27

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
June 30, 1997 and September 30, 1996

(Dollars in thousands)

ASSETS

	June 30 1997 (Unaudited)	September 30 1996
Current assets:		
Cash and cash equivalents	$ 51,449	$ 58,148
Accounts and notes receivable (net of reserve for doubtful accounts of $5,011 and $5,267)	304,719	363,763
Inventories:		
Raw materials	78,496	71,061
Work in process	64,926	72,914
Finished goods	71,013	72,163
Other	41,621	44,292
Total inventories	256,056	260,430
Prepaid expenses	21,717	17,408
Deferred income taxes	11,063	10,034
Total current assets	645,004	709,783
Investments:		
Equity	82,718	79,372
Other	151,643	95,680
Total investments	234,361	175,052
Property, plant and equipment, at cost	1,751,614	1,712,045
Accumulated depreciation	(825,151)	(809,053)
Net property, plant and equipment	926,463	902,992
Other assets:		
Intangible assets, net of amortization	39,751	42,735
Deferred income taxes	2,648	2,402
Other assets	14,506	24,617
Total other assets	56,905	69,754
Total assets	$1,862,733	$1,857,581

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
June 30, 1997 and September 30, 1996

(Dollars in thousands)

LIABILITIES & STOCKHOLDERS' EQUITY

	June 30 1997 (Unaudited)	September 30 1996
Current liabilities:		
Notes payable to banks	$ 232,504	$ 233,779
Current portion of long-term debt	115,247	16,175
Accounts payable and accrued liabilities	216,156	250,749
U.S. and foreign income taxes payable	9,268	26,083
Deferred income taxes	1,012	918
Total current liabilities	574,187	527,704
Long-term debt	291,893	321,497
Deferred income taxes	97,373	88,320
Other liabilities	145,989	147,991
Commitments and contingencies (Note B)		
Minority interest	24,810	27,138
Stockholders' Equity (Note C):		
Preferred Stock:		
Authorized: 2,000,000 shares of $1 par value		
Series A Junior Participating Preferred Stock		
Issued and outstanding: none		
Series B ESOP Convertible Preferred Stock 7.75% Cumulative		
Issued: 75,336 shares (aggregate redemption value of $69,865 and $71,193)	75,336	75,336
Less cost of shares of preferred treasury stock	(8,340)	(6,565)
Common stock:		
Authorized: 200,000,000 shares of $1 par value		
Issued: 135,549,936 shares	135,550	135,550
Additional paid-in capital	24,841	23,618
Retained earnings	1,236,485	1,176,708
Less cost of common treasury stock (including unearned amounts of $8,782 and $16,611)	(712,354)	(650,981)
Deferred employee benefits	(62,974)	(64,283)
Unrealized gain on marketable securities	48,752	29,874
Foreign currency translation adjustments	(8,815)	25,674
Total stockholders' equity	728,481	744,931
Total liabilities and stockholders' equity	$1,862,733	$1,857,581

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended June 30, 1997 and 1996

(Dollars in thousands)
UNAUDITED

	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 83,243	$ 122,016
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	81,199	73,194
Deferred tax provision	(1,586)	123
Equity in net income of affiliated companies, net of dividends received	(4,460)	(1,384)
Other, net	7,520	6,969
Changes in assets and liabilities, net of consolidation of equity affiliates:		
Increase in accounts receivable	(38,044)	(11,703)
Increase in inventory	(2,497)	(38,635)
Decrease in accounts payable and accruals	(15,492)	(24,924)
(Increase)/Decrease in prepayments and intangible assets	(495)	2,029
Decrease in income taxes payable	(17,391)	(44,252)
Other, net	2,043	(1,652)
Cash provided by operating activities	94,040	81,781
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to plant, property and equipment	(131,888)	(134,871)
Investments and acquisitions	(21,387)	(52,639)
Purchases of available-for-sale securities	(11,271)	--
Cash provided from consolidation of equity affiliates	--	9,306
Sales of property, plant and equipment	35,000	2,621
Other	552	1,223
Cash used by investing activities	(128,994)	(174,360)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	90,000	11,258
Repayments of long-term debt	(16,145)	(27,568)
Increase in short-term debt	48,147	170,884
Purchases of treasury stock	(72,896)	(102,709)
Sales and issuance of treasury stock	4,175	8,828
Cash dividends paid to stockholders	(23,466)	(23,742)
Cash provided by financing activities	29,815	36,951
Effect of exchange rate changes on cash	(1,560)	(225)
Decrease in cash and cash equivalents	(6,699)	(55,853)
Cash and cash equivalents at beginning of period	58,148	90,792
Cash and cash equivalents at end of period	$ 51,449	$ 34,939

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1997

A. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Cabot Corporation and majority-owned and controlled domestic and foreign subsidiaries. Investments in majority-owned affiliates where control does not exist and investments in 20 percent to 50 percent-owned affiliates are accounted for on the equity method. Intercompany transactions have been eliminated.

The financial statements have been prepared in accordance with the requirements of Form 10-Q and consequently do not include all disclosures required by Form 10-K. Additional information may be obtained by referring to the Company's Form 10-K for the year ended September 30, 1996.

The financial information submitted herewith is unaudited and reflects all adjustments which are, in the opinion of management, necessary to provide a fair statement of the results for the interim periods ended June 30, 1997 and 1996. All such adjustments are of a normal recurring nature. The results for interim periods are not necessarily indicative of the results to be expected for the fiscal year.

Earnings Per Share

The computation of fully diluted earnings per share considers the conversion of the Company's Series B ESOP Convertible Preferred Stock held by the Company's Employee Stock Ownership Plan, and also includes the potentially dilutive effects of the Company's Equity Incentive Plan adopted in 1989 and the 1996 Equity Incentive Plan.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, Earnings per Share (SFAS 128), which is effective for periods ending after December 15, 1997, including interim periods. This statement attempts to simplify current standards used in the United States for computing earnings per share ("EPS") and make them more comparable with international standards.

SFAS 128 replaces APB Opinion 15 and related interpretations (APB 15). SFAS 128 simplifies the computation of EPS by replacing the presentation of primary earnings per share with a presentation of basic EPS. Basic EPS includes no dilution and is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution of securities that could share in the earnings of an entity, similar to fully diluted EPS under APB 15. While management has not calculated the impact of the new standard, it is not expected to be material.

B. COMMITMENTS AND CONTINGENCIES

The Company has various lawsuits, claims and contingent liabilities. In the opinion of the Company, although final disposition of all of its suits and claims may impact the Company's financial statements in a particular period, they should not, in the aggregate, have a material adverse effect on the Company's financial position.

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
June 30, 1997
UNAUDITED

C. STOCKHOLDERS' EQUITY

The following table summarizes the changes in stockholders' equity for the nine months ended June 30, 1997.

(Dollars in thousands)

	Preferred Stock		Preferred Treasury Stock		Common Stock			
	Shares Issued	Value	Shares	Cost	Shares Issued	Value	Additional Paid-in Capital	Retained Earnings
Balance at September 30, 1996	75,336	$75,336	5,744	$(6,565)	135,549,936	$135,550	$23,618	$1,176,708
Net income								83,243
Common stock dividends paid								(21,016)
Issuance of treasury stock under employee compensation plans							(363)	
Purchase of treasury stock - common								
Purchase of treasury stock - preferred			793	(1,775)				
Sale of treasury stock to Cabot Retirement Incentive Savings Plan							1,586	
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax								(2,450)
Principal payment by Employee Stock Ownership Plan under guaranteed loan								
Amortization of unearned compensation								
Unrealized gain, net of deferred tax								
Foreign currency translation adjustments								
Balance at June 30, 1997	75,336	$75,336	6,537	$(8,340)	135,549,936	$135,550	$24,841	$1,236,485

	Common Treasury Stock						
	Shares	Cost	Unearned Compensation	Deferred Employee Benefits	Unrealized Gain/(loss) Marketable Securities	Foreign Currency Translation Adjustments	Total Stockholders' Equity
Balance at September 30, 1996	63,960,725	$(634,370)	$(16,611)	$(64,283)	$29,874	$25,674	$744,931
Net income							83,243
Common stock dividends paid							(21,016)
Issuance of treasury stock under employee compensation plans	(182,221)	794	1,033				1,464
Purchase of treasury stock - common	2,893,767	(71,121)					(71,121)
Purchase of treasury stock - preferred							(1,775)
Sale of treasury stock to Cabot Retirement Incentive Savings Plan	(109,202)	1,125					2,711
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax							(2,450)
Principal payment by Employee Stock Ownership Plan under guaranteed loan				1,309			1,309
Amortization of unearned compensation			6,796				6,796
Unrealized gain, net of deferred tax					18,878		18,878
Foreign currency translation adjustments						(34,489)	(34,489)

Balance at June 30, 1997	66,563,069	$(703,572)	$ (8,782)	$(62,974)	$48,752	$ (8,815)	$728,481
	==========	=========	========	========	=======	========	========

CABOT CORPORATION

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

I. RESULTS OF OPERATIONS

Sales and operating profit by industry segment are shown in the accompanying table on page 13.

THREE MONTHS ENDED JUNE 30, 1997 VERSUS
THREE MONTHS ENDED JUNE 30, 1996

Net income for the third quarter of fiscal year 1997 was $28.7 million ($0.37 per fully diluted common share), compared to $33.4 million ($0.42 per fully diluted common share), excluding the results of a divested business, in the same quarter a year ago. Net sales and other operating revenues increased 3% to $398.6 million from last year's $388.0 million on the same basis. Operating profit was $55.9 million for the quarter compared to $67.7 million in the same quarter a year ago. To form a comparative basis, 1996 amounts exclude the results of TUCO INC. ("TUCO"), the Company's former coal handling subsidiary. TUCO was divested in September, 1996. For the three months ended June 30, 1996, TUCO revenues and operating profit were $69.3 million and $3.6 million, respectively ($0.03 per fully diluted common share).

In the Specialty Chemicals and Materials Group, sales for the three month period ended June 30, 1997 increased 4% to $372.4 million from $359.7 million last year, on 12% greater volumes. Volumes during the quarter were greater than the year ago period in each of the Company's chemical businesses. Overall, global volumes in the Company's carbon black business increased 12%. However, lower year-to-year selling prices in certain carbon black markets offset the effect of increased volumes. Lower selling prices affected earnings primarily in the Company's European and Pacific Asia carbon black markets. Prices in the European and Pacific Asia markets were down 6% and 11% year-to-year, respectively.

The Group reported operating profit of $58.7 million for the third quarter, compared to $68.6 million for the third quarter of 1996. The decrease in operating profit was primarily the result of a decline in the financial performance of the Company's carbon black business. Lower selling prices, coupled with higher feedstock costs as a result of the continued strengthening of the U.S. dollar, resulted in reduced margins year-to-year in the Company's European and Pacific Asia carbon black markets. In North America, the effect of 8% greater volumes during the quarter was more than offset by higher plant operating costs associated with implementing new production technologies and higher depreciation charges resulting primarily from environmental compliance investments.

The Company's Performance Materials Division ("CPM"), which manufactures high grade tantalum products, experienced an 8% increase in volume in the third quarter compared to the same quarter a year ago resulting from increased demand from the U.S. electronics industry. CPM reported a positive year-to-year earnings comparison, its first since the second quarter of 1996. Although margins were squeezed by increased ore costs, cost savings initiatives put into place during the first and second quarters of the current fiscal year resulted in the favorable earnings comparison.

The Cab-O-Sil fumed silica business experienced a 9% increase in global volumes in the third quarter versus the third quarter of 1996. Greater volumes were offset somewhat by increased operating costs caused by higher than normal maintenance costs and increased investments in research and development.

Research and development and marketing costs associated with new products were flat in the third quarter compared to the third quarter a year ago. The Company spent approximately $2 million less on carbon black projects and $2 million more on other new business initiatives.

In the Energy Group, sales for the quarter ended June 30, 1997 decreased 7% from $28.3 million in 1996 to $26.2 million. A $2.8 million loss was reported, compared with a loss of $0.9 million in the third

CABOT CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations (Continued)

THREE MONTHS ENDED JUNE 30, 1997 VERSUS
THREE MONTHS ENDED JUNE 30, 1996 (CONTINUED)

quarter of 1996. As noted above, the amounts discussed here for 1996 exclude the results of TUCO. Volumes of the liquefied natural gas ("LNG") business were flat from the year ago quarter. A warm winter caused lower gas prices in the Northeast U.S. during the quarter and lower demand for storage refill.

NINE MONTHS ENDED JUNE 30, 1997 VERSUS
NINE MONTHS ENDED JUNE 30, 1996

The Company has reported negative year-to-year earnings comparisons for each of the first three quarters of the year. This has been caused by carbon black pricing in Europe and Pacific Asia, by the effect of a strong U.S. dollar, and by our continued commitment to fund new product development. Due to volume increases in the Company's chemical businesses during the year, we have narrowed the unfavorable earnings variance in each successive quarter.

For the nine months ended June 30, 1997, net income was $83.2 million ($1.06 per fully diluted common share) compared to $113.6 million ($1.41 per fully diluted common share), excluding the results of a divested business, in the same period a year ago. Net sales increased 4% to $1,229.4 million from $1,185.8 million last year on the same basis. To form a comparative basis, 1996 amounts exclude the results of TUCO. For the nine months ended June 30, 1996, TUCO revenues and operating profit were $205.8 million and $10.0 million, respectively ($0.08 per fully diluted common share). Also excluded from the 1996 results is a $3.3 million gain associated with the reduction of the Company's ownership interest in the Trinidad liquefaction joint venture ($0.03 per fully diluted common share).

In the Specialty Chemicals and Materials Group, sales for the nine month period ended June 30, 1997 decreased slightly to $1,071.8 million from $1,074.0 million in the same period a year ago. Overall chemical sales volumes were favorable year-to-year, particularly in the third quarter. However, the earnings effect of increased volumes was more than offset by reduced selling prices, primarily in the Company's European and Pacific Asia carbon black businesses.

Operating profit for the Group decreased 28% to $153.5 million from $212.8 million last year. As stated above, weaker carbon black pricing in Europe and Pacific Asia, the effects of a strong U.S. dollar and higher new product development spending accounted for most of the earnings decrease. Increased research and development and marketing costs associated with new product development and new business and market development initiatives accounted for approximately $14 million of the year-to-year operating profit decrease. Operating profits were affected most by price reductions made during the year and higher year-to-year feedstock costs (in local currency terms), which the Company did not recover from its customers in its European and Pacific Asia carbon black businesses. Also contributing to the negative earnings were volume declines experienced by CPM during the first half of the fiscal year due to the lingering effects of the slowdown of the U.S. electronics industry. However, increased demand in the U.S. electronics industry accounted for 8% greater volumes in CPM during the third quarter versus the same quarter of last year.

In the Energy Group, sales increased 41% to $157.6 million from $111.8 million and operating profit improved 55% to $10.4 million from $6.7 million in the same period a year ago. As noted above, the results discussed here for 1996 exclude the results of TUCO and the $3.3 million gain. Operating results improved largely due to higher gas prices and greater availability of LNG.

On June 30, 1997 Atlantic LNG Company of Trinidad and Tobago ("Atlantic LNG") signed a $600 million loan agreement to finance the construction of its LNG export facility in Trinidad. Construction on the

CABOT CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations (Continued)

NINE MONTHS ENDED JUNE 30, 1997 VERSUS
NINE MONTHS ENDED JUNE 30, 1996 (CONTINUED)

Trinidad project began in the second quarter of 1996. First production is expected in the second quarter of 1999. Cabot LNG Corporation, the Company's wholly-owned subsidiary, owns 10% of Atlantic LNG and holds purchase contracts for 60 percent of the Atlantic LNG plant's design capacity output.

The Company's effective tax rate was 36% compared to 37% for the same period a year ago.

II. CASH FLOWS AND LIQUIDITY

During the first nine months of the year the Company's operations provided $94.0 million of cash compared to $81.8 million last year. The increase year-to-year is due primarily to reduced tax payments and a smaller increase in inventory compared to last year, which were partially offset by lower net income and increased accounts receivable.

Capital spending and investments for the first nine months of the year totaled $164.5 million. The Company plans to spend approximately $210 million for the fiscal year. The major components of the 1997 capital program include expenditures on new carbon black capacity to support the contracts with U.S. tire manufacturers, Clean Air Act compliance, differentiated product manufacturing capabilities, new business expansion and normal plant maintenance. In light of softened demand in certain markets, the Company has deferred several capital projects during the year. During the third fiscal quarter, the Company exercised its rights to purchase 642,232 shares of common stock of K N Energy, Inc. ("KN Energy") for $11.3 million. At June 30, 1997, the Company owned approximately 3 million shares of KN Energy representing 9.5% of KN Energy's outstanding common shares.

Effective September 30, 1996, the Company sold its TUCO subsidiary for $77 million. Accordingly, during the first quarter of fiscal year 1997, the Company received $35 million in cash, which included $8 million of working capital adjustments, and $50 million in the form of a debt repayment on the Company's behalf from the buyer.

On February 6, 1997, the Company issued $90 million of medium-term notes maturing from 2004 to 2011 with a weighted average interest rate of approximately 7%. The proceeds from the issuance were used to repay short-term debt.

During the first nine months of the year, the Company repurchased approximately 2.6 million shares of its common stock. These purchases were funded with the proceeds from the sale of its TUCO subsidiary and short-term borrowings. On May 9, 1997, the Company's Board of Directors authorized the repurchase of 4 million shares of its common stock and revoked the May 1996 repurchase authorization with respect to shares not already purchased pursuant to such authorization. At June 30, 1997 approximately 3.8 million shares remained under the May 1997 repurchase authorization.

The Company's ratio of total debt (including short-term debt net of cash) to capital increased to 44% at June 30, 1997 from 40% at September 30, 1996.

In January, 1997 the Company renegotiated its line of credit agreement. The facility was increased to $300 million from $250 million and was extended to January 3, 2002. Management expects cash from operations and present financing arrangements, including the Company's unused line of credit of $300 million, to be sufficient to meet the Company's cash requirements for the foreseeable future.

CABOT CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations (Continued)

(Dollars in millions, except per share amounts)

UNAUDITED

	Three Months Ended		Nine Months Ended	
	6/30/97	6/30/96	6/30/97	6/30/96
Industry Segment Data				
Sales:				
Specialty Chemicals and Materials	$372.4	$359.7	$1,071.8	$1,074.0
Energy	26.2	97.6	157.6	317.6
Net sales	$398.6	$457.3	$1,229.4	$1,391.6
Operating profit:				
Specialty Chemicals and Materials	$ 58.7	$ 68.6	$ 153.5	$ 212.8
Energy	(2.8)	2.7	10.4	20.0
Total operating profit	55.9	71.3	163.9	232.8
Interest expense	(11.4)	(10.6)	(31.6)	(31.2)
General corporate/other expenses	(6.8)	(7.6)	(19.9)	(21.2)
Income before income taxes	37.7	53.1	112.4	180.4
Provision for income taxes	(13.6)	(19.7)	(40.5)	(66.7)
Equity in net income of affiliated companies	5.2	4.1	13.1	12.7
Minority interest	(0.6)	(1.8)	(1.8)	(4.4)
Net income	28.7	35.7	83.2	122.0
Dividends on preferred stock	(0.8)	(0.7)	(2.4)	(2.5)
Income applicable to primary common shares	$ 27.9	$ 35.0	$ 80.8	$ 119.5
Income per common share:				
Primary	$ 0.40	$ 0.48	$ 1.14	$ 1.63
Fully diluted	$ 0.37	$ 0.45	$ 1.06	$ 1.52

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

The exhibit numbers in the following list correspond to the number assigned to such exhibits in the Exhibit Table of Item 601 of Regulation S-K.

Exhibit Number	Description
11	Statement Regarding Computation of Per Share Earnings, filed herewith.
12	Statement Regarding Computation of Ratio of Earnings to Fixed Charges, filed herewith.
27	Financial Data Schedule, filed herewith. (Not included with printed copy of the Form 10-Q.)

(b) Reports on Form 8-K

No report on Form 8-K was filed by the Company during the three months ended June 30, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CABOT CORPORATION

Date: August 14, 1997

/s/ Robert L. Culver

Robert L. Culver
Executive Vice President and
Chief Financial Officer

Date: August 14, 1997

/s/ William T. Anderson

William T. Anderson
Assistant Controller/Acting Controller
(Chief Accounting Officer)

EXHIBIT 11

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the three month period ended June 30, 1997
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at April 1, 1997, less treasury stock	69,847	69,847
Plus net weighted shares of treasury stock purchased	(624)	(624)
Plus common stock equivalents:		
Effect of convertible preferred stock conversion		6,018
Effect of equity incentive awards	888	965
Weighted average shares outstanding	70,111	76,206
Income applicable to common shares	$27,937	$27,937
Dividends on preferred stock		813
Preferred stock conversion compensation shortfall		(446)
Earnings applicable to common shares	$27,937	$28,304
Earnings per common share	$ 0.40	$ 0.37

EXHIBIT 11

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the nine month period ended June 30, 1997
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at October 1, 1996 less treasury stock	71,589	71,589
Plus net weighted shares of treasury stock purchased	(1,570)	(1,570)
Plus common stock equivalents:		
Effect of convertible preferred stock conversion		6,018
Effect of equity incentive awards	894	965
Weighted average shares outstanding	70,913	77,002
Income applicable to common shares	$80,793	$80,793
Dividends on preferred stock		2,450
Preferred stock conversion compensation shortfall		(1,349)
Earnings applicable to common shares	$80,793	$81,894
Earnings per common share	$ 1.14	$ 1.06

EXHIBIT 12

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in thousands)

	Nine Months ended June 30, 1997	Years ended September 30				
		1996	1995	1994	1993	1992
Earnings:						
Pre-tax income from continuing operations	$112,431	$279,834	$256,029	$118,325	$ 67,900	$116,599
Distributed income of affiliated companies	8,640	11,173	11,699	5,638	5,988	5,766
Add fixed charges:						
Interest on indebtedness	31,607	41,718	35,639	41,668	44,043	41,714
Portion of rents representative of the interest factor	3,628	4,837	5,515	5,879	4,838	4,933
Income as adjusted	$156,306	$337,562	$308,882	$171,510	$122,769	$169,012
Fixed charges:						
Interest on indebtedness	$ 31,607	$ 41,718	$ 35,639	$ 41,668	$ 44,043	$ 41,714
Capitalized interest						3,963
Portion of rents representative of the interest factor	3,628	4,837	5,515	5,879	4,838	4,933
Total fixed charges	$ 35,235	$ 46,555	$ 41,154	$ 47,547	$ 48,881	$ 50,610
Ratio of earnings to fixed charges	4.44	7.25	7.51	3.61	2.51	3.34

3-MOS
SEP-30-1997
JUN-30-1997
51,449
0
309,730
5,011
256,056
645,004
1,751,614
825,151
1,862,733
574,187
291,893
0
75,336
135,550
1,261,326
1,862,733
398,580
400,477
274,205
274,205
77,172
0
11,347
37,753
13,591
28,750
0
0
0
28,750
0.40
0.37